Smart card to buy goods

2739. SHRIMATI SUPRIYA SULE: Will the PRIME MINISTER be pleased to state:

(a) whether Government has decided to issue smart cards to people to buy subsidized foodgrains, cooking gas, kerosene and fertilizers etc.;

(b) if so, whether the proposal to introduce smart cards to distribute subsidized food items during the Eleventh Plan period would form part of the exercise to deal with corruption;

(c) whether this proposed system would allow smart-card holders to buy goods from fair prices shops and also other shops, which opt to supply subsidized goods to poor against the subsidy that can be reclaimed later; and

(d) if so, by what time it is likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI V. NARAYANASAMY) (a) to (c) The Finance Minister in his Budget speech 2008-09 had, *inter alia*, announced that the State Government of Haryana and Union Territory of Chandigarh will introduce, on a pilot basis, a Smart Card based delivery system to deliver food grains under the Public Distribution System. Ministry of the Consumer Affairs, Food and Public Distribution have recently held meetings for discussing details of the scheme for introducing Smart Cards to eligible persons. The Eleventh Five Year Plan Document has referred to multi-application Smart Cards as one of the measures needed to reform the Targeted Public Distribution System (TPDS). It is also stated in the Plan Document that it will be necessary to conduct pilot studies before extending Smart Cards to all parts of the country. It is recognized that introduction of Smart Cards would improve the efficiency of delivery of benefits of various programmes of the Government and also solve several problems, particularly that of targeting errors and spurious beneficiaries, in the administration of programmes such as TPDS. As a consequence, Smart Cards will help in dealing with corrupt practices in the implementation of TPDS etc. The Smart Cards would enable the eligible persons to draw their ration from any of the shops designated by the concerned State Government/UT Administration. The shop-owners, in turn, can claim the subsidy from the State Government/UT Administration.

The Ministry of Petroleum and Natural Gas had, sometime back, a proposal to introduce Smart Cards for distribution of kerosene under PDS on an experimental basis in three districts in Maharashtra, Bihar and Uttarakhand. However, in view of the unfavourable response from the State Governments, the Ministry has not been able to implement the pilot Smart Card Scheme. As regards issue of Smart Cards to people using subsidized cooking gas, there is no proposal in this regard under the consideration of the Ministry of Petroleum and Natural Gas. The Ministry of Chemicals and Fertilizers have no proposal under consideration for issuing Smart Cards in respect of distribution of fertilizers.

(d) The Ministry of Consumer Affairs, Food and Public Distribution is taking necessary action to finalise the pilot scheme for issuing Smart Cards in consultation with the Department of Information Technology, Ministry of Finance, State Government of Haryana and Chandigarh Administration. Thereafter, the pilot scheme will be implemented.

Kolkata Port Trust

2740. SHRIMATI SHOBHANA BHARTIA: Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state: